

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Notice DCP-207**

**For:** State and County Offices

**Planting Transferability Pilot Project (PTPP)**

**Approved by:** Acting Deputy Administrator, Farm Programs



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**1 Overview**

**A Background**

Section 1107 of the Food, Conservation, and Energy Act of 2008 authorizes PTPP which permits the planting of cucumbers, green peas, lima beans, pumpkins, snap beans, sweet corn, and tomatoes grown for processing on base acres enrolled in DCP, including the Average Crop Revenue Election (ACRE) component, in certain States during each of the 2009 through 2012 crop years. PTPP provisions will be included in future DCP handbook amendments.

A farm:

- must be located in a pilot State
- submit CCC-749 and be approved to participate.

Generally, to be eligible to participate in PTPP, producers on a farm must also demonstrate that they:

- have entered into a contract to produce a crop of 1 of the specified commodities for processing
- agree to produce the crop as part of a program of crop rotation on the farm to achieve agronomic and pest and disease management benefits.

The base acres on a farm for a crop year will be reduced by an acre for each acre planted under PTPP. Following the crop year, base acres reduced for PTPP participation are restored. Implementation of PTPP begins with the 2009 crop year.

**B Purpose**

This notice provides guidance to State and County Offices about implementing PTPP.

Disposal Date	Distribution
August 1, 2009	State Offices; State Offices relay to County Offices
2-2-09	Page 1

## **2 Features of PTPP**

### **A Planting Flexibility Provisions and Prohibitions of DCP and ACRE**

Any crop may be planted on DCP cropland in excess of the base acres on a farm.

Generally, however, with some exceptions, the planting of fruits, vegetables (except mung beans and pulse crops), or wild rice, as determined by FSA, is prohibited on base acres of a farm enrolled in a DCP or ACRE program contract. Harvesting fruits, vegetables (except mung beans and pulse crops), or wild rice, as determined by FSA, is prohibited on base acres of a farm enrolled in a DCP or ACRE program contract. There are certain exceptions to this general prohibition for double-cropping in certain instances. Those general prohibitions and exceptions continue to apply to the 2009 through 2012 crop years.

### **B PTPP Option for Enrolled Farms**

Notwithstanding the prohibition of planting and harvesting fruits, vegetables, or wild rice on enrolled base acres for each of the 2009 and subsequent crop years, PTPP permits, according to limitations and provisions of this notice, the planting of fruits and vegetables for processing in certain States on base acres without violating the DCP or ACRE contract. Base acres on farms participating in PTPP will be reduced an acre (or portion thereof) for every acre (or portion thereof) planted in PTPP, for the year in which the farm is participating in PTPP.

### **C Crop and Producer Eligibility Provisions of PTPP**

Under PTPP, crops permitted on DCP base acres are cucumbers, green peas, lima beans, pumpkins, snap beans, sweet corn, and tomatoes. These crops eligible for PTPP participation must be grown for processing.

Producers interested in participating in PTPP for 2009 must:

- first be enrolled under CCC-509
- submit an offer for PTPP participation accompanied by a copy of the processing contract mentioned in paragraph 3 no later than March 2, 2009.

**Notes:** Irrespective of whether DCP payments were issued before enrollment in PTPP, the participant's acknowledge that for the particular year of PTPP participation, DCP and ACRE payments will be calculated on base acres after reduction.

For 2009, signup for PTPP will end before the ACRE enrollment period begins. In the event that an ACRE program contract is approved after enrollment in PTPP, the ACRE program contract participant's acknowledge that for the particular year of PTPP participation, ACRE payments will be calculated on base acres after reduction.

## 2 Features of PTPP (Continued)

### D Land Eligible for PTPP

Land eligible for PTPP participation must be enrolled base acres physically located in 1 or more States shown in the following table. The States and the maximum base acres eligible in each PTPP State during each crop year for PTPP are as follows.

State	Acre Limitation
Illinois	9,000
Indiana	9,000
Iowa	1,000
Michigan	9,000
Minnesota	34,000
Ohio	4,000
Wisconsin	9,000

If land is physically located in 1 or more States in this table, yet administratively controlled in another State, CCC-749 shall be filed with the administrative County Office and forwarded to State Offices where the land is physically located.

**Note:** Annotate on CCC-749 the name of the State where land offered for PTPP participation is physically located.

## 3 2009 PTPP General Information

### A Responsibility of Producers Participating in PTPP to Determine Offer

Participation in PTPP is voluntary. Although FSA can provide information about a particular farm's DCP cropland and base acres, FSA offices will **not** provide advice about the decision to participate in PTPP.

### B Agreement of Producers Participating in PTPP

Producers on a farm must be enrolled under CCC-509 and signup for PTPP according to subparagraph C and do all of the following for the commodity specified in subparagraph 2 C:

- have entered or enter into a contract to produce the commodity for processing
- agree to produce the crop as part of a program of crop rotation on the farm to achieve agronomic and pest and disease management benefits
- report acreage and production of the crop and provide evidence of disposition of the crop
- file a notice of loss if the crop is either prevented from being planted or is impacted by disaster after planting.

### 3 2009 PTPP General Information (Continued)

#### C Signup for PTPP

The signup period for 2009 PTPP begins February 3, 2009, and ends March 2, 2009. There are **no** late-filed provisions for PTPP. CCC-749 must be completed following enrollment on CCC-509 for PTPP participation.

**Note:** Each State has a limit on the number of acres for which PTPP can be approved. Accordingly, a lottery (paragraph 4) of timely submitted PTPP offers may be conducted to select and approve PTPP offers.

PTPP is only available for enrolled base acres. Offers for PTPP participation will **not** be considered on farms that have **not** completed enrollment in DCP on CCC-509. For those farms and producers who have enrolled under CCC-509 and who are interested in PTPP, all of the producers who signed CCC-509 must also sign CCC-749 and accompany the offer for PTPP participation with a copy or copies of the contract or agreement to produce the commodity for processing.

The same signature requirements for CCC-509 apply to CCC-749. This means that all producers sharing in base acres with more than a zero share must enroll and sign CCC-749. For those producers with an interest in the farm but a zero share of base acres (before reduction for PTPP), CCC-749 will **not** be approved before all producers have either signed CCC-509 and CCC-749 or have provided supportive and necessary contractual documents, such as cash leases instead of signing for a zero share.

CCC-509 and CCC-749 **not** having all required signatures on or before the applicable enrollment or PTPP signup deadline shall **not** be considered submitted for any PTPP purpose, as applicable, and will **not** be acted on or approved.

**Note:** The failure of producers to sign either CCC-509 or CCC-749 is **not** a compliance violation or a failure to fully comply. There is no compliance or compliance violations on farms that are **not** enrolled. Additionally, incomplete offers to participate in PTPP are also **not** a failure to comply.

### 3 2009 PTPP General Information (Continued)

#### D Withdrawal of CCC-509 or PTPP Offer

Enrolled CCC-509's that are withdrawn during the enrollment period ending June 1, 2009, are likewise considered withdrawn from PTPP for that same year.

Eligible producers who signed CCC-749 by March 2, 2009, may withdraw CCC-749 by June 1, 2009. If the withdrawal is by March 2, 2009, CCC-509 on the farm that had been enrolled before CCC-749 will be treated the same as if **no** CCC-749 had been submitted.

Eligible producers who sign CCC-749 may withdraw CCC-749 from March 2 through June 1 of the year of the contract if all signatories to CCC-749 agree to the withdrawal. The withdrawal must be provided in writing to FSA. If CCC-749 is withdrawn:

- and CCC-749 has already been approved, CCC-509 will also be considered withdrawn

**Note:** Producers on the farm may choose to enroll the farm during the enrollment period that may remain.

- before CCC-749 was approved and by June 1, 2009, CCC-509 will be considered enrolled the same as if no offer for PTPP had been made.

For farms reconstituted after CCC-509 and CCC-749 are approved, follow subparagraph 5 B.

#### E Effect of PTPP on Base Acres

If a PTPP offer is approved, the base acres will be reduced for each acre planted to fruits and vegetables under contract for that contract year. The total base acres remaining on the farm that were **not** reduced for PTPP participation will be considered enrolled for DCP purposes.

**Note:** The 10-acre provision applies to farms before reductions of base acres for PTPP participation. In other words, the prohibition of payments on a farm having 10 or less base acres applies only if the farm, before base reduction for PTPP, had 10 or less base acres. PTPP participation will **not** result in payment ineligibility if the farm's base acres before the reduction on the farm were greater than 10 acres before the PTPP offer is approved.

## 4 Processing PTPP Offers

### A CCC-509 and CCC-749

CCC-509 containing all required signatures must be accompanied by CCC-749. Instructions and an example of a completed CCC-749 are in Exhibit 1.

### B Evaluating CCC-749's Against State Limitation

County Offices shall submit a copy of each CCC-749 to the State Office no later than March 3.

State Offices with PTPP offers that have **not** exceeded the amount indicated in subparagraph 2 D may instruct County Offices to approve all CCC-749's. However, if the State total of PTPP offers exceeds the amount indicated in subparagraph 2 D, a lottery must be used to limit PTPP participation.

State Offices shall inform each County Office with completed CCC-749's of either of the following:

- each CCC-749 may be approved if the number of acres for PTPP participation is equal to or less than the amount in subparagraph 2 D
- a lottery must be used to determine PTPP participation if the number of acres offered for PTPP participation is greater than the amount in subparagraph 2 D.

County Offices with completed CCC-749's and State Offices that will be conducting a lottery shall use this table.

Step	Action
1	State Office specialists shall conduct the lottery by March 5 to select the applicants who can be approved for PTPP.
2	State Office specialists shall notify applicable County Offices of the results of the lottery by March 6.
3	County Offices shall notify producers who filed CCC-749 of the lottery results <b>no</b> later than March 13.

**Note:** The lottery must be conducted so that all farms have an equal chance of being selected.

## **4 Processing PTPP Offers (Continued)**

### **C Limiting PTPP Participation**

State Offices that use the lottery method may encounter the situation where the last participant selected in the lottery has more PTPP acres offered than is available. In these cases, the State Office shall instruct the County Office to notify the participant that the number of acres offered for PTPP will be limited. Producers on a farm who cannot have their entire offer for PTPP approved must choose either of the following:

- participate with a reduced offer of base acres for PTPP
- decline to participate in PTPP.

If the producers who cannot have their entire offer approved without reduction because of the State limitation fail to respond to the notification or decline to participate in PTPP, the signup shall be considered closed. No further offers for participation shall be considered. The County Office shall notify the State Office of the participant's decision.

## **5 Changes Occurring Following Enrollment and PTPP Offer Approval**

### **A Basic Rule for Successions**

After CCC-509 having an approved CCC-749 is approved, any of the following changes may occur and be considered a basis for successions-in-interest:

- a transfer or change in the interest of a producer on the farm
- sale of land
- foreclosure, bankruptcy, or involuntary loss of the farm
- change in producer shares to reflect changes in shares originally approved on CCC-509.

**Note:** Successors are **not** eligible for DCP payments in any FY in which they do **not** meet the definition of a producer.

See 2-CM before reconstituting any enrolled farm participating in PTPP.

**5 Changes Occurring Following Enrollment and PTPP Offer Approval (Continued)**

**B DCP and ACRE Participation**

DCP or ACRE payments shall be based on temporarily reduced base acres. If DCP or ACRE payments are issued and the farm subsequently is approved to participate in PTPP, refunds may be applicable. See 67-FI.

**Note:** CCC-509 shall be revised to reflect the temporarily reduced base acres.

**C Base Acres Not Participating in PTPP**

Base acres on a farm that are **not** reduced because of PTPP participation are subject to existing rules about planting flexibility.

**D Base Acre Adjustments for Approved PTPP Requests**

County Offices shall follow the procedure in 3-CM for recording base acre adjustments for PTPP participation. Before making any base acre adjustment for approved PTPP requests, County Offices shall print FSA-156 and maintain with CCC-749.

**6 Action**

**A State Office Action**

SED's and State Office specialists shall provide guidance to County Offices about PTPP signup.

**B County Office Action**

County Offices shall:

- implement PTPP according to this notice
- immediately notify producers of the contents of this notice.

**C COC Action**

COC's may delegate to CED the authority to sign CCC-749 when authorized by the State Office.



## Completing CCC-749

## A Instructions for Completing CCC-749

Complete CCC-749 according to this table.

Item	Instruction
Title Box	ENTER "2009".
1	No action required.
2A	Enter the County Office name and address where the PTPP application is being completed.
2B	Enter the County Office telephone number where the PTPP application is being completed.
3	Enter the State code where CCC-749 is being completed.
4	Enter the county code where CCC-749 is being completed.
5	Enter the farm number of the farm where base acres will be reduced for PTPP participation.
6	Enter the total number of base acres on the farm to be reduced for PTPP participation.
7	For the farm entered in item 5, enter the tract number of the tract where base acres will be reduced for PTPP participation.
8	For the tract entered in item 7, enter the name of the applicable crop base acres to reduce for PTPP participation.  <b>Note:</b> The fruit or vegetable planted under PTPP need not be planted on the same tracts that had base acres reduced. The fruit or vegetable can be planted anywhere on the farm.
9	For the crop entered in item 8, enter the number of base acres to reduce for PTPP participation.
10A	Required participants shall add their name, address, and last 4 digits of their tax identification number. See subparagraph 3 D.
10B	Participants identified in item 10A shall sign.
10C	If the individual signing in item 10B is signing in a representative capacity for the participant in item 10A, a title/relationship shall be listed. If the individual in item 10A is the signatory in item 10B, then no entry is required.
10D	The participant shall enter the date CCC-749 was signed.

### B Example of CCC-749

The following is an example of CCC-749.

This form is available electronically. <b>CCC-749</b> (02-03-09)			<b>U.S. DEPARTMENT OF AGRICULTURE</b> Commodity Credit Corporation			1. Vegetables Included in the Pilot Project: Cucumbers      Green Peas      Lima Beans      Pumpkins Snap Beans      Sweet Corn      Tomatoes					
<b>REQUEST TO PARTICIPATE IN THE 20__ PLANTING TRANSFERABILITY PILOT PROJECT</b>			2A. County FSA Office Name and Address (Including Zip Code)  								
			2B. County Office Telephone Number (Including Area Code)  								
			3. State Code		4. County Code		5. Farm Number				
<b>This pilot project is applicable to base acres on land physically located in Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, and Wisconsin.</b>											
<b>NOTE:</b> The primary authority for requesting and safeguarding the information described on this form is the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246 and any amendments to such act as may follow). The information requested is necessary for CCC to administer the Planting Transferability Pilot Project. Failure to furnish the requested information will result in a determination of ineligibility for certain program benefits and other financial assistance administered by USDA. The information collected as a result of this form may be released to USDA employees, USDA contractors, or authorized USDA cooperators who are bound to safeguard the information under Section 1619 of the Food, Conservation, and Energy Act of 2008, the E-Government Act of 2002, and related authorities. This information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Food, Conservation, and Energy Act of 2008 (see Pub. L. 110-246, Title I, Subtitle F - Administration). The provisions of criminal, civil, and privacy statutes may be applicable to the information provided. <b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b>											
<b>THIS REQUEST</b> is presented to the Commodity Credit Corporation (CCC) by the undersigned producer(s) in reference to base acres on this farm. The producer(s) on the farm request that base acres on the attached enrolled CCC-509 or CCC-509 DACRE-2, as may be applicable, be reduced by the amount identified in Item 6. The base acres reduced on this farm will be returned at the end of the contract year. By signing this request, the undersigned producers on the farm: (1) shall plant the vegetables in Item 1 on the base acres reduced; (2) shall provide a contract to produce a crop in Item 1 for processing; (3) agree to produce the crop as part of a program of crop rotation on the farm to achieve agronomic and pest and disease management benefits; (4) provide evidence of the disposition of the crop; and (5) authorize FSA to reduce base acres on the farm identified in Item 5 by this amount(s) listed in Item 6 if this offer is accepted.											
If CCC approves this CCC-749, the producers signing page 2 of CCC-749 acknowledge that DCP and ACRE payments, as applicable, will be based on base acres after reduction. If following approval of the CCC-749 by CCC, this CCC-749 is withdrawn, producers acknowledge that any CCC-509 or CCC-509 DACRE-2 associated with the CCC-749 is likewise considered withdrawn.											
<b>Note:</b> FSA may receive requests for PTPP participation in excess of a State's acreage limitation. In that case, a lottery will be used to determine which offers CCC can approve may participate.											
6. Number of Base Acre reduction required to participate in the Planting Transferability Pilot Project: _____											
7. Tract			8. Crop Base Acres to Reduce			9. Number of Base Acres to Reduce					
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## Completing CCC-749 (Continued)

## B Example of CCC-749 (Continued)

CCC-749 (02-03-09)		Page 2
10A. Owner or Producer's Name and Address (Including Zip Code)	10B. Signature of Owner or Producer (By)	
Identification Number (Last 4 Digits):	10C. Title/Relationship of the Individual Signing in a Representative Capacity	10D. Date (MM-DD-YYYY)
10A. Owner or Producer's Name and Address (Including Zip Code)	10B. Signature of Owner or Producer (By)	
Identification Number (Last 4 Digits):	10C. Title/Relationship of the Individual Signing in a Representative Capacity	10D. Date (MM-DD-YYYY)
10A. Owner or Producer's Name and Address (Including Zip Code)	10B. Signature of Owner or Producer (By)	
Identification Number (Last 4 Digits):	10C. Title/Relationship of the Individual Signing in a Representative Capacity	10D. Date (MM-DD-YYYY)
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Identification Number (Last 4 Digits):	10C. Title/Relationship of the Individual Signing in a Representative Capacity	10D. Date (MM-DD-YYYY)
11A. Signature of CCC Representative		11D. Date (MM-DD-YYYY)